UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
WESTERN DIVISION

JEFFREY SORENSEN, Plaintiff, v. WD-40 COMPANY, Defendant.	Case No.: 3:12-cv-50417

SORENSEN'S MEMORANDUM OF LAW IN OPPOSITION TO WD-40'S MOTION FOR SUMMARY JUDGMENT

Mr. Sorensen submits the following memorandum of law in support of his opposition to WD-40 Company's ("WD-40") motion for summary judgment, and in support states as follows:

I. Introduction

This is a case about whether WD-40's use of its crosshair logo ("WD-40 Crosshair") on a line of rust preventative products launched in 2011 is confusingly similar to Mr. Sorensen's crosshair trademark ("SORENSEN'S CROSSHAIR MARK") that has been continuously used on his line of rust preventative products since 1997. These marks appear as follows:

SORENSEN'S CROSSHAIR MARK v. WD-40 Crosshair

To further add to the confusion, WD-40 prominently uses a significant portion of Mr. Sorensen's registered THE INHIBITOR word mark directly above its infringing WD-40 Crosshair for one of its products, which is depicted below (crosshair mark alone as well as with the word mark interchangeably referenced herein as "SORENSEN'S CROSSHAIR MARK"):

LONG-TERM
CORROSION
INHIBITOR

[redacted]. For these reasons and others, Mr. Sorensen firmly believes that WD-40's ongoing infringement in this case is willful.

WD-40's motion for summary judgment, however, should be denied because (1) Mr. Sorensen's marks are protectable; (2) there are genuine issues of material fact as to whether a likelihood of confusion exists between the marks at issue; and (3) WD-40's fair use defense fails as applied to the facts of this case.

II. Facts

A. Sorensen's Marks.

Mr. Sorensen has been using the SORENSEN CROSSHAIR MARK and THE INHIBITOR word mark since October of 1997. Statement of Undisputed Facts (hereinafter "SUF") ¶¶6, 12, 20, 80, 90. Since that time, Mr. Sorensen has continuously developed, marketed, and sold rust preventative products bearing both the THE INHIBITOR word mark and his unique SORENSEN CROSSHAIR MARKS. SUF¶¶6, 80, 90. On August 6, 2002, Mr. Sorensen was granted a federal trademark registration from the United States Patent and Trademark Office (the

"USPTO") for his THE INHIBITOR word mark. SUF ¶¶7, 81. In August of 2008, Mr. Sorensen's THE INHIBITOR mark attained the coveted incontestability status with the USPTO, rendering his mark immune to any attack premised upon descriptiveness. SUF¶¶5, 81.

B. WD-40's Knowledge of the Sorensen Marks.

[redacted]

C. WD-40's "No Rust Shield" Product.

Also during this period, in or around 2009, WD-40 launched a product called the "No Rust Shield," under its 3-in-One label. SUF ¶¶85, 86. [redacted]

D. Registration of WD-40's Crosshairs.

On November 4, 2011, [redacted], WD-40 applied for a federal trademark registration with the USPTO for the WD-40 Crosshair, [redacted] WD-40's Statement of Use, filed under oath with the USPTO, indicates that it first used the infringing crosshairs mark on September 30, 2011, [redacted].

III. Legal Standard

According to Federal Rule of Civil Procedure 56, summary judgment is proper only "if the pleadings, the discovery and disclosure materials on file, and any affidavits show that there is no genuine issue as to any material fact and that the movant is entitled to judgment as a matter of law." Fed. R. Civ. P. 56(c). All facts presented on summary judgment must be viewed in the light most favorable to Mr. Sorensen. *Morton v. Motel 6 Operating L.P.*, 534 F.3d 672 (7th Cir. 2008).

The central issue here—the likelihood of confusion between the parties' trademarks—is a question of fact for the jury simply not appropriate for summary disposition in this Circuit under Rule 56. *See, e.g., AutoZone, Inc. v. Strick*, 543 F.3d 923, 929 (7th Cir. 2008) (whether consumers are likely to be confused about the origin of a defendant's products or services is ultimately a question of fact). *See also Bd. of Regents of the Univ. of Wis. Sys. v. Phoenix Int'l Software, Inc.,* 653 F.3d 448 (7th Cir. 2011) (same).

IV. Argument

A. Mr. Sorensen's Marks are Protectable.

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted] The USPTO has agreed that WD-40's registered trademark (which is nearly identical to the crosshairs within the SORENSEN CROSSHAIR MARKS) is distinctive and unique. SUF ¶11.

An unregistered mark, such as the SORENSEN CROSSHAIR MARK, can be protected under the Act if it would qualify for registration as a trademark. *See Courtenay Commc'ns Corp. v. Hall*, 334 F.3d 210, 214 n.2 (2d Cir. 2003). Critically, the issue of whether a mark has become distinctive as representing a particular company's goods ***is a question of fact***." *Boden Prods., Inc. v. Doric Foods Corp*., 552 F. Supp. 493, 498 (N.D. Ill. 1982) (citing *Union Carbide Corp. Ever-Ready Inc.*, 531 F.2d 366, 380-81 (7th Cir. 1976) (emphasis added).

Given the fact that the USPTO and WD-40 agree that the WD-40 Crosshairs are unique and distinctive enough for trademark registration, it follows that Mr. Sorensen's crosshairs and the SORENSEN CROSSHAIR MARKS should also be granted with protection as an unregistered mark under the Lanham Act. SUF ¶¶5, 11, 12. Furthermore, as set forth in various parts of this response, Mr. Sorensen's use has not been inconsistent or discontinuous, as alleged by WD-40. SUF ¶¶6, 11, 12, 20.

B. Summary Judgment is Inappropriate Because Questions of Fact Remain as to the Likelihood of Confusion.

A critical element of Mr. Sorensen's infringement and unfair competition claims under both state and federal law is that there be a likelihood of confusion between THE INHIBITOR word mark and/or SORENSEN'S CROSSHAIR MARK and WD-40's Crosshair and use of the term "Inhibitor" in connection with the sale, distribution, advertising and promotion of their products. *AutoZone,* 543 F.3d at 929. The Seventh Circuit analyzes seven factors to determine whether consumers are likely to be confused: (1) the similarity between the marks in appearance and suggestion; (2) the similarity of the products; (3) the area and manner of concurrent use; (4) the degree and care likely to be exercised by consumers; (5) the strength of the plaintiff's mark;

(6) any actual confusion; and (7) the intent of the defendant to "palm off" his product as that of another. *Id.* Courts may assign varying weight to each of the factors depending on the facts presented. *Id.* Moreover, whether consumers are likely to be confused about the origin of a defendant's products or services is ultimately a question of fact. *Id; see also McGraw-Edison Co. v. Walt Disney Prods.*, 787 F.2d 1163, 1167 (7th Cir. 1986).

i. Similarity of the Marks.[1]

To determine whether two marks are similar, this Circuit views the marks as a whole. *See Estate of Beckwith, Inc. v. Comm'r of Patents*, 252 U.S. 538, 545-546, (1920)("The commercial impression of a trademark is derived from it as a whole, not from its elements separated and considered in detail."). This Court should compare the marks "in light of what happens in the marketplace and not merely by looking at the two marks side-by-side." *Sullivan v. CBS Corp.*, 385 F.3d 772, 777 (7th Cir. 2004). Viewed from that perspective, the marks in this case are similar enough that a reasonable finder of fact could determine that a consumer would believe that the strong similarity of the suggest that the products upon which they appear originate from the same source, or are somehow related.

a. THE INHIBITOR word mark and color.

Here, Mr. Sorensen's products and the "WD-40 Long Term Corrosion Inhibitor" product prominently display the word "Inhibitor" in all capital letters. SUF ¶15, 16, 89. The words are in a similar font and stand alone in their ***own line*** with no other words appearing immediately next to the term "Inhibitor". SUF ¶¶15, 16, 89. WD-40 uses THE INHIBITOR word mark immediately adjacent to the WD-40 Crosshairs, similar to the manner in which Mr. Sorensen uses his SORENSEN CROSSHAIR MARKS. SUF ¶¶16, 89. [redacted]

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[1] Not surprisingly, in its motion for summary judgment, WD-40 has strategically pasted images of only a single product that is not representative of most of the products sold by Mr. Sorensen (though the exhibits contain other images). The image in the actual motion does not even contain the SORENSEN CROSSHAIR MARKS. Accordingly, Mr. Sorensen has submitted, along with this opposition, samples of each product at issue in this case so that the Court can have a full and clear record before it in advance of ruling on the motion for summary judgment.

b. SORENSEN'S CROSSHAIR MARKS.

The WD-40 Crosshairs are nearly identical to the SORENSEN CROSSHAIR MARKS, which have been in continuous use by Sorensen in the rust prevention market since 1997. ¶¶6, 12, 20. If that is not enough, the WD-40 Crosshairs – like the SORENSEN CROSSHAIR MARKS – also contain small emblems in each of the four quadrants of the crosshairs, adding to the likelihood of consumer confusion between the products. SUF ¶¶15, 19, 21. That said, WD-40's Trademark Registration No. 4,203,718 does not contain any emblems, demonstrating that the defendant – not to mention the USPTO – believe that the crosshairs are a unique and distinct stand-alone mark, independent of any emblems used in the quadrants. SUF ¶¶6, 19, 21.

When viewing the facts in the light most favorable to Mr. Sorensen, as the Court must do here, [redacted]. Thus, as a result, genuine issues of material fact remain as to the similarity of the marks.

ii. Similarity of the Products

The products at issue are remarkably similar, and nearly indistinguishable. WD-40's Specialist products, including the WD-40 Specialist Long Term Corrosion Inhibitor, are rust preventative products [redacted]. SUF ¶¶13, 90. Mr. Sorensen has been selling rust preventative products [redacted] bearing The INHIBITOR word mark and the SORENSEN CROSSHAIR MARKS since 1997. SUF ¶¶4, 6, 14, 90. The similarities between and purpose of these products weighs heavily in favor of Mr. Sorensen and is enough to create a genuine issue of material fact that precludes summary judgment.

iii. The Channels of Trade Overlap.

[redacted]. Clearly, the parties' distribution channels and target markets overlap, rendering summary judgment inappropriate.

iv. The Purchasers of the Parties' Goods Are Not Likely to Exercise a Great Degree of Care.

In assessing whether the degree of care factor favors finding a likelihood of confusion, the Seventh Circuit stated in *CAE, Inc. v. Clean Air Engineering, Inc.* that "[t]he more widely accessible and inexpensive the products and services, the more likely that consumers will exercise a lesser degree of care and discrimination in their purchases." 267 F.3d at 683. The evidence on the record is that the products at issue and sold by both parties are inexpensive (around $11) impulse purchases. SUF ¶¶58, 92. Furthermore, there is no evidence in the record that the relevant consumers are "particularly sophisticated or deliberative." *AutoZone, Inc*, 466 F.

Supp. 2d at 1042. Accordingly, a reasonable trier of fact would likely conclude that the degree-of-care factor supports a finding of likelihood of confusion.

[redacted]

Moreover, "[i]n the reverse confusion context," the "addition of a celebrity 'housemark' to an allegedly infringing mark may heighten confusion rather than reduce it." *Glow Indus., Inc. v. Lopez*, 252 F. Supp. 2d 962, 995 (C.D. Cal. 2002). Such a scenario could potentially occur here, since a reasonable juror could conclude that consumers associate the SORENSEN CROSSHAIR MARKS and the term THE INHIBITOR with the junior, more famous WD-40 brand. Given that WD-40 has decided to register and use the SORENSEN CROSSHAIR MARKS and use his THE INHIBITOR word mark on their products, it may falsely appear to the public that Mr. Sorensen is attempting to palm-off WD-40's mark to gain notoriety and associate himself with WD-40, which is neither the case nor the claim made by WD-40. .

v. Strength of Plaintiff's Mark.

"The stronger the mark, the more likely it is that encroachment on it will produce confusion." *Autozone, Inc.* 543 F.3d at 933. The strength of a mark usually corresponds to its economic and marketing strength. *Id.* In this case, the evidence in the record is more than sufficient to support the conclusion that Mr. Sorensen's THE INHIBITOR word mark and

SORENSEN CROSSHAIR MARKS have significant economic and marketing strength. Mr. Sorensen's marks are displayed prominently in hundreds of stores nationwide, and have been the subject of hundreds of thousands of dollars' worth on advertising (including television and infomercials) since 1997. SUF ¶¶40, 42.

Despite the clear evidence of the economic and marketing strength of Mr. Sorensen's marks in the record, WD-40 maintains that his marks are weak because the term THE INHIBITOR and the SORENSEN CROSSHAIR MARKS are commonly found in other marks. SUF ¶¶9, 10. As the Seventh Circuit explained in *AutoZone,* WD-40's argument fails because WD-40 did not produce evidence to show how extensively any of the "other marks" that use THE INHIBITOR or the SORENSEN CROSSHAIR MARKS have been promoted or become recognized by consumers in the marketplace. *AutoZone, Inc*., 466 F. Supp. 2d at 1042. *See also CAE, Inc*., 267 F.3d at 685 (noting that third-party trademark registrations can negatively impact the strength of a plaintiff's mark "only to the extent that the similar marks are promoted by their owners or recognized by the consuming public").

vi. Actual Confusion

Admittedly, Mr. Sorensen has not adduced significant evidence of actual confusion between the marks, and did not have the resources to conduct a survey to introduce such evidence. [redacted]. Mr. Sorensen further reminds the Court that both parties are manufactures who have very little direct dealings with consumers. It is retailers who may have such evidence regarding actual confusion; it is not likely manufacturers would even be advised of confusion.

vii. WD-40's Intent

Perhaps most incriminating is WD-40's clear knowledge of Mr. Sorensen's THE INHIBITOR word mark and technology prior to naming, marketing, and distributing its own Specialist line of products around the United States. *See* p. 3-5 herein.

[redacted]

Drawing all of these inferences in the light most favorable to Mr. Sorensen, genuine issues of fact remain as to the factors concerning likelihood of confusion and summary judgment is simply not appropriate..

C. WD-40's Use of THE INHIBITOR Word Mark Is Not A Fair Use.

Finally, WD-40 fails in establishing its fair use defense. As WD-40 points out, "[t]o prevail on a fair use defense, a defendant must establish that: (1) it did not use the mark as a trademark; (2) the use is descriptive of its goods or services; and (3) it used the mark fairly and in good faith." *Timelines, Inc. v. Facebook, Inc.*, 938 F. Supp. 2d 781 (N.D. Ill. 2013).

i. WD-40 Uses INHIBITOR as a Trademark.

First and foremost, the Seventh Circuit has held that "the determination that a defendant's use was a non-trademark use is a question of fact." *See Packman v. Chicago Tribune Co.,* 267

F.3d 628, 637 (7th Cir. 2001). *See also Timelines, Inc.*, 938 F. Suppl. 2d at 794 (denying summary judgment based upon fair use where defendant referred to its product from time to time as "Timeline").

With respect to the defendant's product bearing Mr. Sorensen's incontestable THE INHIBITOR word mark, [redacted]

Furthermore, the "WD-40 Long Term Corrosion Inhibitor" [redacted]

In sum, [redacted]. That position is simply untenable, and summary judgment should be denied as to WD-40's fair use defense.

ii. ***WD-40's Use of "Inhibitor" Is Not Merely Descriptive***.

The availability of other descriptive terms and a decision not to use one of those terms is evidence suggesting WD-40's bad faith regarding the allegedly descriptive nature of the term INHIBITOR in marketing and advertising the "WD-40 Specialist Long Term Corrosion Inhibitor" product. *See, e.g., EMI Catalogue Pshp. v. Hill, Holliday, Connors, Cos...*, 2000 U.S. App. LEXIS 30761 (2d Cir. 2000).

[redacted].

iii. WD-40's Use of THE INHIBITOR Was Not Made in Good Faith.

An inference of a lack of good faith may arise from a defendant's use of a plaintiff's mark with the intent to trade upon the good will represented by that mark. *See Institute for Scientific Info.*, 931 F.2d at 1010; *Sierra On-Line*, 739 F.2d at 1423; 2 McCarthy, supra, § 11:49 at 11-97.

[redacted]

[redacted]

[redacted] These continued denials are further evidence of WD-40's attempt to avoid the obvious inference of bad faith and intent to trade upon the good will earned by Mr. Sorensen's trademarks. At the very least, a jury is in the best position to evaluate this evidence and draw its own conclusions as to fair use.

IV. Conclusion

WHEREFORE, Jeffrey Sorensen moves for entry of an order denying WD-40's motion for summary judgment, an order setting this case for trial, and any other relief this Court deems just and proper.

DATED: January 28, 2014

Respectfully submitted,

By: /s/ Vivek Jayaram

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CERTIFICATE OF SERVICE

The undersigned counsel certifies that on January 28, 2013, he served the foregoing memorandum in support of its opposition to the motion for summary judgment electronically and by filing it through the CM/ECF system, and further certifies that the same will be mailed by Federal Express upon counsel for the defendant, WD-40, and by Federal Express to the Court and the Clerk's Office (in a manner consistent with L.R. 26.2 and 5.8) on January 29, 2014:

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